

SYSTEMS AND METHODS FOR
QUOTING A TWO-SIDED MARKET

Background of the Invention

This invention relates to systems and methods
5 for electronic trading of a item or instrument sold in
an electronic market. More particularly, this
invention provides configurable trading interfaces for
electronic trading of a item or instrument sold in an
electronic market.

10 As electronic trading becomes more popular,
an increasing number of traders are in need of new
systems and methods to enter trade commands in a quick,
efficient, and accurate manner. In one method of
electronic trading, bids and offers for a particular
15 item are submitted independently by a trader to a
trading system, those bids and offers are then
displayed by the trading system to other traders, and
the other traders may then respond to the bid by
submitting sell (or hit) or buy (or lift or take)
20 commands to the system. This method of electronic
trading is often referred to as one-sided market
trading.

Many implementations of this one-sided method
of electronic trading, while generally accurate, lack
25 in desired speed mainly because traders are forced to

enter bids and offers independently for a particular item. This dual process causes much delay for traders because the traders must follow several steps prior to accomplishing a two-sided market trade. For example,
5 many traders using typical trading systems are required to (1) click on an issue of choice, (2) click on a bid button, (3) use the keyboard to enter a price and size for the trade, (4) click on an offer button, and (5) use the keyboard to enter a price and size for the
10 trade. This one-sided market trading approach is very time consuming.

Thus, it is an object of the present invention to provide systems and methods that enable a trader to execute two-sided market trades quickly,
15 efficiently, and accurately.

Summary of the Invention

In accordance with this and other objects of the invention, systems and methods provide configurable trading interfaces that allow a trader to instantly
20 quote a two-sided market. A two-sided market is a market where a trader places one order, and, places a second order based on the execution of the first order. Thus, a trader may place a bid order and, upon execution of the bid order -- i.e., the bid is matched
25 by an offer order and a sale is made -- the trader then immediately places an offer order on the market that corresponds to the acquired item or instrument. In accordance with this invention, the trader can use various trading interfaces to initiate two-sided market
30 orders based on a value submitted and a pre-set spread amount as configured by the trader.

In order to initiate a two-sided market trading command using the present invention, a trader may enter the command using a command-line interface, click on a component of a bid or offer in a market cell, enter the command using a graphical interface, or
5 may click on a piece of data in a data window. After initiating a command from a command-line interface, a market cell, or a data window, the present invention may verify the entry by presenting a graphical
10 interface. This interface may be the same graphical interface that may be used to enter a trading command. In addition to displaying the graphical interface, a mouse pointer may be redirected to a portion of the graphical interface to speed up entry of the trading
15 command. After initiating the command, but before completing the command, a trader may then alter the parameters of the command either to complete entry of the parameters or to correct one or more incorrect entries.

20 To enable customization of the graphical interface to a trader's preferences, settings controls are provided. These controls may enable the trader to set a preferred order type, cause the graphical interface to automatically close after a trade command
25 has been entered or canceled, display a history of trade commands, set the trade item type, set how bid and offer information is displayed, set how default prices, sizes, and limits, and set position and color preferences.

30 As will be apparent upon reading the Detailed Description of the Preferred Embodiments, various features of the present invention may be implemented with any type of trading system for the trading of any